

City of Annapolis FY 2004 Proposed Budget All Funds Summary

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equities, revenues and expenditures/expenses. Budgets for the following funds are included in this document:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Enterprise Funds - The Enterprise Funds are used to account for those activities of the City which are financed and operated in a manner similar to private business enterprises where costs and expenses, including depreciation, are recovered principally through user charges. Individual operations which the City of Annapolis has designated as Enterprise Funds include the Water, Sewer, Off Street Parking, Dock, Market, Transportation and Refuse Funds.

Capital Projects Fund - The Capital Projects Fund is used to account for financial resources and expenditures applied to the construction of capital facilities and major purchased items for all governmental fund types.

The following tables summarize the FY 2004 Proposed budget for the General, Enterprise and Special Revenue Funds.

<i>FY 2004 Proposed Revenues and Expenditures By Fund</i>	<i>Revenues</i>	<i>Expenditures</i>	<i>Difference</i>
General	\$37,339,250	\$37,339,250	\$0
Water	3,782,910	3,782,910	0
Sewer	5,104,320	5,104,320	0
Off Street Parking	2,005,690	1,705,690	300,000
Dock	876,500	671,240	205,260
Market	116,770	116,770	0
Transportation	3,298,000	3,727,010	(429,010)
Refuse	2,401,000	2,477,250	(76,250)
Grand Total	\$54,924,440	\$54,924,440	\$0

**City of Annapolis FY 2004 Proposed Budget
All Funds Summary**

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<i>Revenues</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>	<i>Percent Change</i>
Taxes	\$18,187,380	\$19,036,960	\$19,945,750	4.77%
Licenses and Permits	1,729,360	2,052,250	2,151,100	4.82%
Intergovernmental Revenues	12,449,970	13,060,090	13,173,310	0.87%
Charges for Services	16,155,090	15,995,570	16,196,100	1.25%
Fines and Forfeitures	734,720	926,190	974,500	5.22%
Money and Property	1,850,480	1,565,140	1,879,390	20.08%
Other Financing Sources	3,206,420	2,935,620	604,290	-79.42%
Total Revenues	\$54,313,420	\$55,571,820	\$54,924,440	-1.16%

<i>Expenditures</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>	<i>Percent Change</i>
Personnel	\$31,474,310	\$34,660,040	\$37,131,950	7.13%
Other Operating Expenditures	12,250,610	12,500,580	12,702,510	1.62%
Capital Outlays	384,140	215,500	198,000	-8.12%
Debt Service	4,126,460	4,134,210	5,653,120	36.74%
Other Expenditures	(108,410)	(1,335,550)	(1,558,390)	16.69%
Contribution to CIP	6,737,840	5,397,040	797,250	-85.23%
Total Expenditures	\$54,864,950	\$55,571,820	\$54,924,440	-1.16%

**City of Annapolis FY 2004 Proposed Budget
All Funds Summary**

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<i>Expenditures by Department</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>	<i>Percent Change</i>
Mayor and Aldermen	\$2,435,030	\$2,562,560	\$2,610,100	1.86%
Finance	1,853,430	2,052,010	2,223,540	8.36%
Human Resources	559,450	640,650	589,320	-8.01%
Planning & Zoning	1,248,300	1,149,510	1,155,170	0.49%
Central Services	1,521,710	1,559,690	1,656,560	6.21%
Police	10,724,010	11,907,200	13,273,180	11.47%
Fire	7,580,600	7,923,650	8,258,800	4.23%
Neighborhood & Environ. Programs	1,202,530	1,258,890	1,474,950	17.16%
Public Works	11,691,050	12,995,820	13,311,530	2.43%
Recreation & Parks	2,397,070	2,451,230	2,482,450	1.27%
Transportation	2,895,880	2,874,910	2,996,860	4.24%
Other Expenditures	(108,410)	(1,335,550)	(1,558,390)	16.69%
Debt Service	4,126,460	4,134,210	5,653,120	36.74%
Contribution to CIP	6,737,840	5,397,040	797,250	-85.23%
Total Expenditures	\$54,864,950	\$55,571,820	\$54,924,440	-1.16%

FY 2002 - 2004 Budget Comparison by Fund

The following tables compare the FY 2002, FY 2003 and FY 2004 Budgeted revenue and expenditure budgets for all funds.

<i>Revenues by Fund</i>	<i>FY 2002 Adopted</i>	<i>FY 2003 Adopted</i>	<i>FY 2004 Proposed</i>
General	\$39,543,020	\$39,506,770	\$37,339,250
Water	3,496,800	3,587,940	3,782,910
Sewer	4,396,920	4,443,680	5,104,320
Off Street Parking	1,817,000	1,917,000	2,005,690
Dock	787,200	591,370	876,500
Market	107,600	92,860	116,770
Transportation	2,119,800	3,064,200	3,298,000
Refuse	2,370,530	2,368,000	2,401,000
Grand Total	\$54,638,870	\$55,571,820	\$54,924,440

<i>Expenditures by Fund</i>	<i>FY 2002 Adopted</i>	<i>FY 2003 Adopted</i>	<i>FY 2004 Proposed</i>
General	\$38,972,530	\$39,506,770	\$37,339,250
Water	3,496,800	3,587,940	3,782,910
Sewer	4,396,920	4,443,680	5,104,320
Off Street Parking	1,514,630	1,353,050	1,705,690
Dock	543,800	591,370	671,240
Market	76,320	92,860	116,770
Transportation	3,267,340	3,554,430	3,727,010
Refuse	2,370,530	2,441,720	2,477,250
Grand Total	\$54,638,870	\$55,571,820	\$54,924,440

**General Fund
Revenues - by Source
FY 2002 - FY 2004**

Property Taxes

The real property assessment, at 100%, used to calculate the FY 2004 tax revenue budget is \$2,909,000,000. This is a 9.3% increase over the FY 2003 assessment, at 100%, of \$2,662,000,000. The proposed tax rate for FY 2004 is 60.0 cents, which is a 2.4 cents decrease from the adopted rate for FY 2003, per \$100 of full property value. The proposed personal property rate remains the same at \$1.66.

<i>Property Taxes</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>
Real Property: Revenues from taxes on assessed value real estate including land, structures, and improvements.	\$15,666,220	\$16,528,900	\$17,600,000
Personal Unincorporated: Revenues from taxes on assessed valuation of inventory, furnishings, and fixtures of unincorporated businesses.	89,970	87,500	87,500
Personal - Public Utility: Revenues from taxes on assessed valuation of inventory, furnishings, and fixtures of public utilities.	886,260	877,300	845,250
Personal Corporation: Revenues from taxes on assessed valuation of inventory, furnishings, and fixtures of incorporated businesses.	1,401,950	1,400,000	1,300,000
Penalties and Taxes: Interest paid on delinquent taxes.	142,980	143,260	113,000
Total Property Taxes	\$18,187,380	\$19,036,960	\$19,945,750

**General Fund
Revenues - by Source
FY 2002 - FY 2004**

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Licenses and Permits

These budgeted increases are based on FY 2002 actual revenue, FY 2003 projections, and the general upward trend of some of these revenue sources.

<i>Licenses and Permits</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>
Street Use: Fees charged for the use of City street and sidewalk surfaces.	\$90,970	\$91,500	\$91,500
Residential Parking Permits: Revenue from permits issued for parking in residential areas.	57,620	60,100	60,100
Sidewalk Cafes: Fees charged for the use of City sidewalks for restaurants that have sidewalk cafes.	7,200	6,900	6,900
Alcoholic Beverage Licenses: Revenues from licenses issued to allow sale of beer, wine, and liquor.	193,550	194,000	206,300
Traders Licenses: Fees collected from local businesses by the State and returned to the City.	77,700	77,000	81,000
Vendor-Huckster Licenses: Revenue from licenses issued for utility contractors and peddlers.	82,110	69,000	69,000
Towing Licenses: Fees from licenses issued to towing contractors.	120	100	100
Amusements Licenses: Fees charged by the City to operate various types of amusements.	5,400	2,200	2,200
Building Permits: Revenue from permits issued for building construction/electrical work; plumbing, sewer, water, and gas connections.	624,300	842,000	950,000
Cable TV Franchise Fees: Franchise fees for cable television at 5% of gross receipts.	372,080	394,500	420,000
Wastewater Discharge Pretreatment Permits: Fees charged for inspection to obtain permits for "critical uses" connection to the City sewer system.	61,360	64,000	64,000
Other Non-Business Licenses: Revenue from the issuance of local licenses and permits not elsewhere classified.	156,950	250,950	200,000
Total Licenses and Permits	\$1,729,360	\$2,052,250	\$2,151,100

**General Fund
Revenues - by Source
FY 2002 - FY 2004**

- continued -

Intergovernmental Revenues

Although it is likely that the City will receive various grants from other agencies, most have not been included in the FY 2004 budget because the application and acceptance process have not yet been completed. The Police Protection Grant is based on a formula that is calculated by the State. Highway Tax revenue is to be reduced under the pending State budget.

<i>Intergovernmental Revenues</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>
Other Federal Grants: U.S. Environmental Protection Agency grants for habitat restoration and FEMA grants.	18,100	54,900	50,000
U.S. Department of Justice Grants: U.S. Department of Justice grants that fund certain costs of local law enforcement and citizen participation in an effort to make communities safer.	81,110	137,080	100,000
Police Protection Grant: City's share of State funds allocated to municipalities for police protection.	953,000	1,008,110	1,119,410
BMC Planning Grant: Subsidization of transportation planning activities and salary reimbursement, administered by the Baltimore Metropolitan Council and funded by various federal and state agencies.	42,800	35,200	35,000
Critical Area Grant: Assistance to local governments in carrying out their responsibilities under the Chesapeake Bay Critical Area Protection Program, administered by the Critical Area Commission, State of Maryland Department of Natural Resources.	13,000	13,000	13,000
HotSpots Grants: State payments to support HotSpots neighborhood and youth programs.	134,340	195,100	0
Miscellaneous State Grants: Revenue from other state grants that are not listed separately.	209,600	282,600	302,000
Highway Taxes: City's share of gasoline tax and motor vehicle registrations collected by the State.	1,527,750	1,574,200	1,135,200
Income Taxes: City's share of income tax received by the State for returns filed from Annapolis.	3,716,110	3,650,000	3,650,000
Admissions Receipts: Taxes on admissions are returned to municipalities by the State on the basis of the amount collected.	769,590	800,000	800,000

**General Fund
Revenues - by Source
FY 2002 - FY 2004**

- continued -

<i>Intergovernmental Revenues</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>
State Payment in Lieu of Taxes: Revenue received from the State of Maryland in lieu of taxes for fire and police services.	367,000	417,000	417,000
County - 911 Revenue: Revenue received from a portion of the County grant to support the "911" emergency calling system.	193,210	179,000	369,000
Miscellaneous County Grants: Revenue from various grants from Anne Arundel County that are not listed separately.	42,460	13,200	13,200
Electricity: The City's share of sales tax collected on electricity use.	172,810	170,000	170,000
Gas: The City's share of sales tax collected on natural gas use.	24,780	27,000	27,000
Telephone: The City's share of sales tax collected on telephone use.	257,130	240,000	240,000
Fuel: The City's share of sales tax collected on fuel oil use.	2,190	2,500	2,500
Hotel-Motel Tax: Revenue from 7% tax levied on room receipts in the City of Annapolis.	1,479,380	1,520,000	1,780,000
County Payment In Lieu of Taxes: Revenue received from Anne Arundel County in lieu of taxes for fire protection coverage of the Annapolis Neck Peninsula.	489,840	545,000	545,000
Total Intergovernmental Revenues	\$10,494,200	\$10,863,890	\$10,768,310

Charges for Services

A slight increase in certain recreation program fees, combined with increased community participation is expected to result in a 11.8% increase in Recreation Program Fees over those of FY 03.

<i>Charges for Services</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>
Filing Fees: Charges for services relating to zoning such as map enhancements, text amendments, and use permits.	\$25,300	\$25,200	\$25,200
Rental Unit Licenses: Revenue received for licenses issued to operate a rental dwelling unit.	342,860	323,000	323,000

**General Fund
Revenues - by Source
FY 2002 - FY 2004**

- continued -

<i>Charges for Services</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>
Fire Safety Inspection Fees: Revenue received from inspections of buildings to ensure that they meet all fire safety requirements concerning life safety.	20,100	18,000	18,000
Parking Meter Fees: Revenues from hourly parking meters located in the downtown area.	590,990	601,000	601,000
Recreation Program Fees: Revenues from fees for various recreation programs and classes.	286,530	259,290	290,000
Recreation-Latchkey Fees: Revenue from before and after school day care programs.	372,190	363,000	363,000
Total Charges for Services	\$1,637,970	\$1,589,490	\$1,620,200

Fines and Forfeitures

Parking Violations revenue is expected to remain consistent with those of FY 03. Revenue from confiscated funds is being budgeted to offset the need for funds for the mobile data computing project.

<i>Fines and Forfeitures</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>
Parking Violations: Revenues from parking violation fines.	\$658,570	\$800,000	\$800,000
Municipal Infractions: Revenues received from fines for municipal infractions.	1,910	4,500	4,500
Confiscated Funds: Cash and personal items seized under current law by City Police during the commission of a crime.	45,800	101,690	150,000
Other Fines: Revenue from other miscellaneous fines and late charges on payment of fines.	28,440	20,000	20,000
Total Fines and Forfeitures	\$734,720	\$926,190	\$974,500

**General Fund
Revenues - by Source
FY 2002 - FY 2004**

- continued -

Use of Money and Property

Interest revenue on the short-term investment of cash balances is expected to remain low through FY 04.

<i>Use of Money and Property</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>
Interest Income: Interest received from the investment of City funds.	\$533,290	\$350,000	\$400,000
Rents: Revenue from the rental of City property.	172,920	190,000	190,000
Contributions and Donations: Revenue from miscellaneous contributions and donations to fund City activities.	50,680	95,000	120,000
Payments in Lieu of Taxes: Revenues received under special legal agreements with certain entities in lieu of the regular property tax assessment.	\$71,020	\$72,140	\$72,140
Payment for Police Services: Revenues from special dedicated police services.	100,310	98,000	100,000
Miscellaneous Revenues: Revenues not accounted for elsewhere.	284,960	116,000	200,000
Total Use of Money and Property	\$1,213,180	\$921,140	\$1,082,140

**General Fund
Revenues - by Source
FY 2002 - FY 2004**

- continued -

Other Financing Sources

Proceeds from other financing sources such as the disposal of fixed assets are not usually budgeted but are part of the actual proceeds for the year.

<i>Other Financing Sources</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>
Operating Fund Transfers: Revenues from miscellaneous operating fund transfers.	57,600	0	0
Appropriated Fund Balance: This is not an actual revenue; however it is a source of funding relied upon in balancing the budget. This funding source provides pay-as-you-go funding support for the Capital Improvements Program. \$797,250 of the general fund balance has been appropriated in FY 2004 to support pay-go project funding.	0	3,666,450	797,250
Total Other Financing Sources	\$57,600	\$3,666,450	\$797,250

**City of Annapolis FY 2004 Proposed Budget
General Fund**

<i>Expenditures</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>	<i>Percent Change</i>
Personnel	\$26,205,110	\$29,027,420	\$31,020,260	6.87%
Other Operating Expenditures	6,823,140	6,580,160	6,637,890	0.88%
Capital Outlays	220,100	10,000	0	N/A
Debt Service	2,030,200	2,094,130	2,748,200	31.23%
Other Expenditures	* (2,132,210)	* (2,707,380)	* (3,864,350)	-42.73%
Contribution to CIP	6,145,440	4,502,440	797,250	-82.29%
Total Expenditures	\$39,291,780	\$39,506,770	\$37,339,250	-5.49%

<i>Expenditures by Department</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>	<i>Percent Change</i>
Mayor and Aldermen	2,038,510	2,121,110	2,160,420	1.85%
Finance	1,889,100	2,137,670	2,223,540	4.02%
Human Resources	559,450	640,650	589,320	-8.01%
Planning & Zoning	1,248,300	1,149,510	1,155,170	0.49%
Central Services	894,760	820,990	917,860	11.80%
Police	10,724,010	11,907,200	13,273,180	11.47%
Fire	7,580,600	7,923,650	8,258,800	4.23%
Neighborhood & Environ. Programs	1,202,530	1,258,890	1,474,950	17.16%
Public Works	4,714,020	5,206,680	5,122,460	-1.62%
Recreation & Parks	2,397,070	2,451,230	2,482,450	1.27%
Debt Service	2,030,200	2,094,130	2,748,200	31.23%
Other Expenditures	* (2,132,210)	* (2,707,380)	* (3,864,350)	-42.73%
Contribution to CIP	6,145,440	4,502,440	797,250	-82.29%
Total Expenditures	\$39,291,780	\$39,506,770	\$37,339,250	-5.49%

* The negative dollar amount is the result of the credit to the General Fund for indirect administrative costs allocated to each enterprise fund.

Enterprise Funds

Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises where the goal is that the cost of expenses, including both operations and capital, are financed or recovered primarily through user related charges. Capital purchases are not budgeted as expenses; in accordance with Generally Accepted Accounting Principles, they are depreciated over the useful life of the asset. Individual operations which the City of Annapolis has designated as Enterprise Funds include the Water, Sewer, Off Street Parking, Dock, Market, Transportation and Refuse Funds.

The City's goal is for enterprise funds to establish rates which provide for self-sufficiency.

Enterprise Funds

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Water Fund

The Water Fund is an enterprise fund used to account for all financial activity associated with the operation of the City's water plant and water distribution system. The fund's primary source of revenue is from user charges levied on water customers. Another primary source of revenue is the capital facility assessment; this is the fee charged to customers for maintenance of the City's water system. It is billed to the property owner over a period of thirty years and is used solely for water system improvements.

The Water Fund consists of two divisions: Water Plant and Water Distribution. The Water Plant is responsible for the production, treatment, testing, storage, and initial distribution of all potable water for customers of the City. The Water Distribution division is responsible for meter reading and operating, maintaining and repairing the City's 125 mile water distribution system, including service lines, water meters and fire hydrants.

<i>Water Fund Revenues</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>	<i>Percent Change</i>
Water Charges	\$3,538,910	\$3,545,000	\$3,601,320	1.59%
Rents and Concessions	36,940	33,600	33,600	0.00%
Adjustment for Non-Operating Revenue	(20,440)	(434,960)	(296,310)	-31.88%
Capital Facilities	688,530	444,300	444,300	0.00%
Total Revenues	\$4,243,940	\$3,587,940	\$3,782,910	5.43%

<i>Water Fund Expenses</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>	<i>Percent Change</i>
Personnel	\$1,310,130	\$1,362,520	\$1,456,200	6.88%
Other Operating Expenses	1,499,870	1,500,870	1,526,510	1.71%
Debt Service	586,010	599,050	800,200	33.58%
Capital Outlays	2,790	125,500	0	N/A
Total Expenses	\$3,398,800	\$3,587,940	\$3,782,910	5.43%

Enterprise Funds

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Sewer Fund

The Sewer Fund is an enterprise fund used to account for all financial activity associated with the operation of the City's sewage collection and treatment program. The fund's primary source of revenue is from user charges levied on sewer system customers. Another primary source of revenue is the capital facility assessment; this is the fee charged to customers for maintenance of the City's sewer system. It is billed to the property owner over a period of thirty years and is used solely for sewage conveyance system improvements.

The Sewer Fund consists of two divisions: Sewer Plant and Sewer Collection. The Sewer Plant accounts for the City's share of operating expenses for the treatment of all wastewater generated by City customers and certain Anne Arundel County customers at the Annapolis Wastewater Treatment Plant, which is owned jointly by Annapolis and Anne Arundel County. The Sewer Collection division is responsible for operating, maintaining and repairing the City's 125 mile sewage conveyance system, including twenty-four pumping stations.

<i>Sewer Fund Revenues</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>	<i>Percent Change</i>
Sewer Charges	\$4,965,960	\$4,896,580	\$4,896,580	0.00%
Adjustment for Non-Operating Revenue	23,880	(792,500)	(131,860)	-83.36%
Capital Facilities	729,090	339,600	339,600	0.00%
Other	25,080	0	0	N/A
Total Revenues	\$5,744,010	\$4,443,680	\$5,104,320	14.87%

<i>Sewer Fund Expenses</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>	<i>Percent Change</i>
Personnel	\$538,780	\$572,630	\$758,560	32.47%
Contract services	2,190,230	2,538,990	2,543,990	0.20%
Other Operating Expenses	685,830	649,750	805,950	24.04%
Debt Service	615,870	637,310	797,820	25.19%
Capital Outlays	0	45,000	198,000	340.00%
Total Expenses	\$4,030,710	\$4,443,680	\$5,104,320	14.87%

Enterprise Funds

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Off Street Parking Fund

The Off Street Parking Fund is an enterprise fund used to account for all financial activity associated with the operation of the City's Municipal Off Street Parking facilities. These parking facilities include two parking garages (Hillman Garage and Gott's Court Garage) and two parking lots (Larkin and South Street). This fund is totally self-supporting, producing an annual surplus. The fund's primary source of revenue is from parking fees generated by the parking garages. Together, Hillman Garage and Gott's Court Garage parking fees account for about 97% of the fund's revenue.

The City maintains a contractual agreement with a parking management company for the day-to-day operations of all parking facilities; 31.5% of total costs are for professional services as opposed to personnel costs.

<i>Off Street Parking Fund Revenues</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>	<i>Percent Change</i>
Off Street Parking Charges	\$1,954,710	\$1,917,000	\$1,950,000	1.72%
Interest Earnings	540	0	0	N/A
Other	302,860	0	55,690	N/A
Total Revenues	\$2,258,110	\$1,917,000	\$2,005,690	4.63%

<i>Off Street Parking Fund Expenses</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>	<i>Percent Change</i>
Contract Services	\$512,970	\$538,000	\$559,500	4.00%
Other Operating Expenses	460,160	645,940	746,100	15.51%
Debt Service	737,800	642,020	1,185,240	84.61%
Internal Administrative Accounts	(550,620)	(472,910)	(785,150)	66.03%
Subsidies	650,000	0	0	N/A
Total Expenses	\$1,810,310	\$1,353,050	\$1,705,690	26.06%

Enterprise Funds

- continued -

Dock Fund

The Dock Fund is an enterprise fund used to account for all financial activity associated with the management and control of the City's waterways, including slips and mooring buoys, showers and restrooms for boaters, sewage pump-out facilities for boaters, and maintenance of the City Dock area. This fund is totally self-supporting, generating an annual surplus. The Dock Fund's primary source of revenue is from slip charges. These are fees charged for mooring at a City Dock boat slip, based on the number of hours that the boat stays in the slip.

<i>Dock Fund Revenues</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>	<i>Percent Change</i>
State Operating Grants	\$46,590	\$55,000	\$55,000	0.00%
Dock Charges	838,400	799,000	821,500	2.82%
Adjustment for Non-Operating Revenue	0	(262,630)	0	N/A
Total Revenues	\$884,990	\$591,370	\$876,500	48.22%

<i>Dock Fund Expenses</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>	<i>Percent Change</i>
Personnel	\$280,410	\$300,990	\$309,220	2.73%
Other Operating Expenses	153,680	163,450	268,530	64.29%
Debt Service	116,940	126,930	93,490	-26.35%
Capital Outlays	9,330	0	0	N/A
Total Expenses	\$560,360	\$591,370	\$671,240	13.51%

Enterprise Funds

- continued -

Market House Fund

The Market House Fund is an enterprise fund used to account for all financial activity associated with the operation of the City's Market House, an enclosed pavilion housing vendors who sell a wide variety of carry-out, affordable foods and beverages. This fund is totally self-supporting. The fund's revenue is from rent paid by the vendors. Primary expenses are electricity and repairs and maintenance.

<i>Market Fund Revenues</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>	<i>Percent Change</i>
Market Charges	\$110,260	\$92,860	\$116,770	25.75%
Total Revenues	\$110,260	\$92,860	\$116,770	25.75%

<i>Market Fund Expenses</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>	<i>Percent Change</i>
Personnel	\$0	\$15,000	\$15,000	0.00%
Debt Service	9,320	6,440	4,470	-30.59%
Other Operating	54,960	71,420	97,300	36.24%
Total Expenses	\$64,280	\$92,860	\$116,770	25.75%

Enterprise Funds

- continued -

Transportation Fund

The Transportation Fund is an enterprise fund used to account for all financial activity associated with the operation and maintenance of the City's public transportation system. This fund usually operates at a significant deficit which is offset by subsidies from other funds. The fund's primary source of revenue is from transit charges. Federal and State Grants also account for a large portion of revenues.

The Transportation Fund consists of three divisions: Administration, Transit Operations, and Maintenance. The Administration division is responsible for operational planning and service management, grants management, and taxi and pedicab licensing and regulation. The Transit Operations division is responsible for operating an effective and efficient public transit system in accordance with all state and federal regulations. The Maintenance division is responsible for the repair and maintenance of all service and support vehicles, facilities and equipment.

<i>Transportation Fund Revenues</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>	<i>Percent Change</i>
Federal Operating and Capital Grants	\$949,990	\$1,283,200	\$1,410,000	9.88%
State Operating and Capital Grants	959,190	858,000	940,000	9.56%
Transportation Charges	713,140	765,000	790,000	3.27%
Capital Contributions	1,176,500	0	0	N/A
Other	807,240	158,000	158,000	0.00%
Total Revenues	\$4,606,060	\$3,064,200	\$3,298,000	7.63%

<i>Transportation Fund Expenses</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>	<i>Percent Change</i>
Personnel	\$2,234,680	\$2,399,560	\$2,521,510	5.08%
Other Operating Expenses	1,025,410	1,126,540	1,181,810	4.91%
Debt Service	30,320	28,330	23,690	-16.38%
Capital Outlays	151,910	0	0	N/A
Total Expenses	\$3,442,320	\$3,554,430	\$3,727,010	4.86%

Enterprise Funds

- continued -

Refuse Fund

The Refuse Fund is an enterprise fund used to account for all financial activity associated with the operation of the City's residential refuse, yard waste, recycling, and bulk disposal systems. This fund is self supporting, through refuse charges paid by residential customers. The Fund's primary expense, aside from personnel costs, is the landfill tipping fee paid to the County for the disposal of residential and bulk refuse. Another significant expense is the contract service cost incurred for curbside recycling.

The Refuse Fund consists of three divisions: Residential Refuse, Yard Waste Recycling and Curbside Recycling. The Residential Refuse division is responsible for the collection and transportation of solid waste from participating residential households to a disposal site. Residential refuse pickup is twice per week. The Yard Waste Recycling division is responsible for the bi-weekly collection of yard waste from participating residential households. Collected yard waste is ground into mulch which is available to the public free of charge. The Curbside Recycling division is responsible for the curbside collection from participating residential households of bottles, cans, plastic and newspapers, cardboard, and mixed paper (junk mail, advertisements, magazines, etc.), and the hiring of the contractor to perform these services.

<i>Refuse Fund Revenues</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>	<i>Percent Change</i>
Refuse Collection Charges - Residential	\$2,410,170	\$2,366,000	\$2,399,000	1.39%
Other	1,490	2,000	2,000	0.00%
Total Revenues	\$2,411,660	\$2,368,000	\$2,401,000	1.39%

<i>Refuse Expenses</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>	<i>Percent Change</i>
Personnel	\$905,190	\$996,920	\$1,051,200	5.44%
Contract Services	265,000	649,910	649,880	0.00%
Other Operating Expenses	1,096,200	794,890	776,170	-2.36%
Debt Service	0	0	0	N/A
Total Expenses	\$2,266,390	\$2,441,720	\$2,477,250	1.46%

Debt Service Fund

Debt Service Principal and Interest Payments:

The tables below list the principal and interest payments for General Obligation Bonds, Loans, and Capital Leases for fiscal years 2002, 2003, and 2004.

<i>General Obligation Bonds</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>	<i>Percent Change</i>
Principal	\$2,695,000	\$2,825,020	\$3,635,000	28.67%
Interest	1,317,420	1,193,370	1,902,300	59.41%
Total General Obligation Bonds	\$4,012,420	\$4,018,390	\$5,537,300	37.80%

Loans

Principal	\$76,270	\$78,550	\$80,890	2.98%
Interest	37,760	37,270	34,920	-6.31%
Total Loans	\$114,030	\$115,820	\$115,810	-0.01%

<i>Debt Service Summary</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>	<i>Percent Change</i>
Total Principal	\$2,771,270	\$2,903,570	\$3,715,890	27.98%
Total Interest	1,355,180	1,230,640	1,937,220	57.42%
Total Debt Service	\$4,126,450	\$4,134,210	\$5,653,110	36.74%

Debt Service Fund

- continued -

Debt Service Requirements to Maturity General Obligation Bonds Fiscal Years 2004 - 2020

<i>Fiscal Year</i>	<i>Principal</i>	<i>Interest</i>	<i>Total</i>
2004	3,635,000	1,902,300	5,537,300
2005	3,740,000	1,753,630	5,493,630
2006	3,450,000	1,611,210	5,061,210
2007	3,565,000	1,436,640	5,001,640
2008	3,225,000	1,300,080	4,525,080
2009	3,310,000	1,143,350	4,453,350
2010	2,935,000	1,016,530	3,951,530
2011	3,015,000	883,840	3,898,840
2012	3,100,000	746,170	3,846,170
2013	2,670,000	611,830	3,281,830
2014	2,740,000	488,370	3,228,370
2015	2,525,000	368,700	2,893,700
2016	1,940,000	255,410	2,195,410
2017	1,970,000	168,360	2,138,360
2018	2,000,000	77,800	2,077,800
2019	0	0	0
2020	0	0	0
Total	\$43,820,000	\$13,764,220	\$57,584,220

Comparison of Full Time Equivalent Positions by Fund FY 2002 to FY 2004

The following tables summarize the changes in permanent and temporary positions from FY 2002 to FY 2004 for all funds.

<i>Permanent Positions by Fund</i>	<i>FTE</i>		
	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>
General	422	429	429
Water	23	23	23
Sewer	7	7	7
Off Street Parking	0	0	0
Dock	3	3	3
Market	0	0	0
Transportation	38	47	47
Refuse	22	22	22
Special Revenue	0	0	0
Grand Total	515	531	531

<i>Temporary Positions by Fund</i>	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>
General	* 16	* 19	* 19
Water	0	0	0
Sewer	0	0	0
Off Street Parking	0	0	0
Dock	* 2	* 2	* 2
Market	0	0	1
Transportation	4	4	4
Refuse	* 1	* 1	* 1
Special Revenue	0	0	0
Grand Total	23	26	27

* These divisions have a “pool” of money that is earmarked for payment to temporary employees. The actual number of people working as “temps” varies during the fiscal year, as many of these positions are seasonal.

Comparison of Full Time Equivalent Positions by Department FY 2002 to FY 2004

The following tables summarize the changes in permanent and temporary positions from FY 2002 to FY 2004 for all departments.

<i>Permanent Positions by Department</i>	<i>FTE</i>		
	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>
Mayor and Aldermen	14	15	14
Finance	25	26	27
Human Resources	6	7	7
Planning and Zoning	16	16	14
Central Services	5	5	5
Police	169	169	169
Fire	99	103	103
Neighborhood & Environ. Programs	0	0	20
Public Works	123	123	105
Recreation and Parks	20	20	20
Transportation	38	47	47
Grand Total	515	531	531

<i>Temporary Positions by Department</i>			
	<i>FY 2002 Actual</i>	<i>FY 2003 Estimated</i>	<i>FY 2004 Proposed</i>
Mayor and Aldermen	13	15	15
Finance	0	0	0
Human Resources	0	1	1
Planning and Zoning	0	0	0
Central Services	0	0	1
Police	0	0	0
Fire	0	0	0
Neighborhood & Environ. Programs	0	0	1
Public Works	3	3	2
Recreation and Parks	3	3	3
Transportation	4	4	4
Grand Total	23	26	27

Summary of Position Changes FY 2003 to FY 2004

The following tables detail the changes in permanent and temporary positions from FY 2003 to FY 2004 for all departments.

<i>Permanent Positions by Department</i>	<i>FY 2003 Positions</i>	<i>Additions</i>	<i>Deletions</i>	<i>FY 2004 Positions</i>
Mayor and Aldermen	15	0	1	14
Finance	26	1	0	27
Human Resources	7	0	0	7
Planning and Zoning	16	0	2	14
Central Services	5	0	0	5
Police	169	1	1	169
Fire	103	0	0	103
Neighborhood & Environ. Programs	0	20	0	20
Public Works	123	0	18	105
Recreation and Parks	20	0	0	20
Transportation	42	5	0	47
Grand Total	526	27	22	531

* Transportation positions added during FY 2003 and are totally grant funded.

**Summary of Position Changes
FY 2003 to FY 2004**

- continued -

<i>Temporary Positions by Department</i>	<i>FY 2003 Positions</i>	<i>Additions</i>	<i>Deletions</i>	<i>FY 2004 Positions</i>
Mayor and Aldermen	15	0	0	15
Finance	0	0	0	0
Human Resources	1	0	0	1
Planning and Zoning	0	0	0	0
Central Services	0	1	0	1
Police	0	0	0	0
Fire	0	0	0	0
Neighborhood & Environ. Programs	0	0	0	0
Public Works	3	0	0	3
Recreation and Parks	3	0	0	3
Community Development Block Grant	0	0	0	0
Transportation	4	0	0	4
Grand Total	26	1	0	27